

**LOUISIANA STATE BOARD
OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Financial Statements with Supplementary Information

June 30, 2009

(With Accountants' Review Report Thereon)

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10/7/09

**LOUISIANA STATE BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

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Accountants' Review Report

**Board of Directors
Louisiana State Board of Chiropractic Examiners
State of Louisiana
Baton Rouge, Louisiana**

We have reviewed the accompanying basic financial statements of the governmental-type activities of the Louisiana State Board of Chiropractic Examiners, a component unit of the State of Louisiana, as of June 30, 2009, as listed in the table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards* issued by the Comptroller General of the United States of America. All information included in these basic financial statements is the representation of the management of the Louisiana State Board of Chiropractic Examiners.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated August 31, 2009, on the results of our agreed upon procedures.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The management discussion and analysis on pages 2 through 5 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Additionally, the supplementary information described in the table of contents is presented only for supplementary analysis purposes. All supplementary information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.

Griffin & Company, LLC

August 31, 2009

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Management's Discussion & Analysis

June 30, 2009

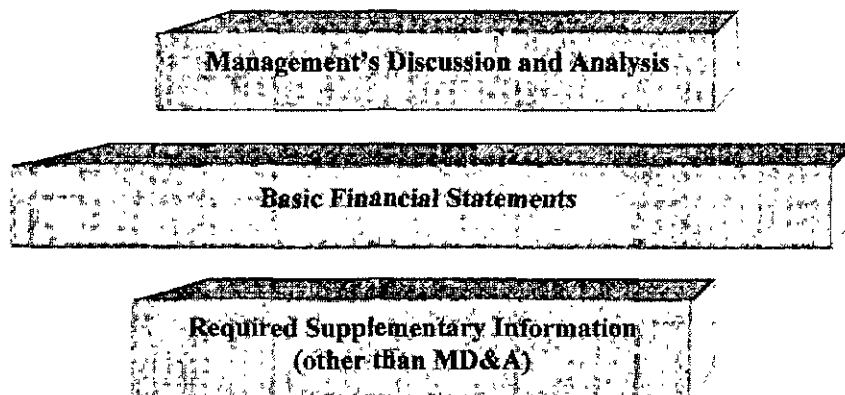
The Management's Discussion and Analysis of the Louisiana Board of Chiropractic Examiners' (the "Board") financial performance presents a narrative overview and analysis of the Board's financial activities for the twelve months ending June 30, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the Board's financial statements.

Financial Highlights

- The Board's assets exceeded its liabilities at the close of fiscal year 2009 by \$177,588. This represents an increase to net assets of \$1,236 or 0.7% compared to prior year.
- The Board's revenue went from \$245,759 to \$225,139 for a decrease of \$20,620 or 8.4%. Net results from activities decreased from income of \$20,545 to a loss of \$3,563 for a decrease of \$24,108 or 117%. This is primarily due to a decrease in complaint hearing sessions.

Overview of the Financial Statements

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Management's Discussion & Analysis, Continued

June 30, 2009

Basic Financial Statements

The basic financial statements present information for the Board as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets and the Statement of Activities.

The Statement of Net Assets presents the assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Board is improving or deteriorating.

The Statement of Revenues, Expenses, & Changes in Fund Net Assets presents information showing how the Board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

Financial Analysis of the Entity

**Statement of Net Assets
As of June 30, 2009
(in thousands)**

Current and other assets	\$ 250
Capital assets	<u>1</u>
Total assets	<u>251</u>
Other liabilities	6
Long-term debt outstanding	<u>67</u>
Total liabilities	<u>73</u>
Net assets:	
Invested in capital assets, net of debt	1
Unrestricted	<u>176</u>
Total net assets	<u>\$ 177</u>

Unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the Board increased by \$1,236 or 0.7%, from June 30, 2008 to June 30, 2009.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Management's Discussion & Analysis, Continued

June 30, 2009

**Statement of Revenues, Expenses, & Changes in Net Fund Assets
For the twelve months ending June 30, 2009
(in thousands)**

Operating revenues	\$ 219
Operating expenses	<u>222</u>
Operating loss	<u>(3)</u>
Non-operating revenues	6
Non-operating expenses	<u>(2)</u>
Net increase net assets	<u><u>\$ 1</u></u>

The Board's total revenues decreased by \$20,620 or 8.4%. The total cost of all programs and services decreased by \$1,311 or 0.6%.

Capital Asset and Debt Administration

Capital Assets

At the end of 2009, the Board had \$1,425 invested in capital assets, including furniture and equipment. This amount represents a net decrease (including additions and deductions) of \$3,005, or 67.8%, over last year.

There were no additions this fiscal year.

Debt

The Louisiana Board of Chiropractic Examiners has obligations for compensated absences payable of \$19,132. The obligations increased from \$18,048 for an increase of \$1,084 or 6.0%.

The Louisiana Board of Chiropractic Examiners has obligations for other post employment retirement benefits of \$48,044. The obligations increased from \$24,400 for a increase of \$23,644 or 96.9%.

The Board had no bonds and notes outstanding at June 30, 2009.

There was no debt issued from July 1, 2008 to June 30, 2009.

Variations Between Actual and Budget Amounts

Revenues were \$6,761 under budget and expenditures were \$8,386 over budget. The shortfall in revenues primarily was due to a decrease in complaint hearing sessions. The overage in expense primarily was due to the current year budget not including an increase for other post-retirement employee benefits.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Management's Discussion & Analysis, Continued

June 30, 2009

Economic Factors and Next Year's Budget

The Board's officials considered the following factors and indicators when approving next year's budget:

- Revenues from license renewals remaining constant
- Continued efforts on maintaining and controlling operating costs

Contacting the Board's Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Patricia Oliver at 225-765-2322.

**LOUISIANA BOARD OF CHIROPRACTIC EXMAINERS
STATE OF LOUISIANA**

Statement of Net Assets

June 30, 2009

(See Accountants' Review Report)

Assets

Cash & cash equivalents	\$	67,911	
Certificates of deposit		177,266	
Interest receivable		4,483	
Capital assets		<u>1,425</u>	
			\$ <u><u>251,085</u></u>

Liabilities & Net Assets

Liabilities:

Accounts payable & accrued expenses	\$	6,351
Compensated absences payable		19,132
Other post employment benefits payable		<u>48,044</u>

Total liabilities 73,527

Net Assets:

Investment in capital assets	1,425
Unrestricted	<u>176,133</u>

Total net assets 177,558

Total liabilities & net assets \$ 251,085

See accompanying notes to the financial statements.

**LOUISIANA BOARD OF CHIROPRACTIC EXMAINERS
STATE OF LOUISIANA**

Statement of Revenues, Expenses, & Changes in Fund Net Assets

For the Year Ended June 30, 2009

(See Accountants' Review Report)

Operating Revenues:		
Licenses, permits, & fees	\$	218,778
Operating Expenses:		
Personnel services	\$	146,453
Travel		9,321
Operating services		49,637
Repairs		1,267
Professional services		10,156
Depreciation		1,443
Other expenses		4,064
Total operating expenses		<u>222,341</u>
Operating loss		(3,563)
Non-Operating Revenues (Expenses):		
Use of money		6,361
Loss on disposal of equipment		(1,562)
Total non-operating revenues (expenses)		<u>4,799</u>
Increase in net assets		1,236
Net assets, beginning of year		<u>176,322</u>
Net assets, end of year	\$	<u><u>177,558</u></u>

See accompanying notes to the financial statements.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Statement of Cash Flows

For the Year Ended June 30, 2009

(See Accountants' Review Report)

Cash flows from operating activities:		
Cash received from customers	\$	218,778
Cash payments to suppliers for goods and services		(75,465)
Cash payments to employees for services		<u>(121,573)</u>
Net cash provided by operating activities		21,740
Cash flows from investing activities:		
Purchase of certificates of deposit		(177,266)
Proceeds from maturing certificates of deposit		106,909
Interest earned on certificates of deposit		<u>5,310</u>
Net cash used by investing activities		<u>(65,047)</u>
Net decrease in cash		(43,307)
Cash and cash equivalents - beginning of year		<u>111,218</u>
Cash and cash equivalents - end of year	\$	<u><u>67,911</u></u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$	(3,563)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation		1,443
Changes in assets and liabilities:		
Accounts payable & accrued expenses		(868)
Compensated absences payable		1,084
Other post employment benefits payable		<u>23,644</u>
Total adjustments		<u>25,303</u>
Net cash provided by operating activities	\$	<u><u>21,740</u></u>

See accompanying notes to the financial statements.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(1) Summary of Significant Accounting Policies

(a) Introduction

The Louisiana Board of Chiropractic Examiners is a component unit of the State of Louisiana created under the provisions of Louisiana Revised Statute 36:259 within the Department of Health and Hospitals, and is domiciled in East Baton Rouge Parish. The Board consists of seven members appointed by the Governor. The Board is charged with the responsibility of regulating the practice of chiropractic activities within the State of Louisiana. Operations of the Board are funded through self-generated revenues.

(b) Basis of Presentation

The accompanying general purpose financial statements of the Board have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

These financial statements were prepared in accordance with GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*. All activities of the Board are accounted for within a single proprietary (enterprise) fund. This fund type is used to report any activity for which a fee is charged to external users for goods and services. In addition, these financial statements include the provisions of GASB State Number 34, *Basic Financial Statement – Management’s Discussion and Analysis – for State and Local Governments* and related standards.

(c) Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the Governor appoints the board members and public service is rendered within the state’s boundaries. The accompanying financial statements present only transactions of the Board of Chiropractic Examiners. Annually, the State of Louisiana issues basic financial statements, which include activity contained in the accompanying financial statements.

(d) Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(1) Summary of Significant Accounting Policies, Continued

(d) Basis of Accounting, Continued

The Board uses the following practices in recording revenues and expenses:

Revenues

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable. Operating revenues consist of all revenues except investment income and gains on the disposal of equipment.

Expenses

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable. Operating expenses consist of all expenses except investment expenses and losses on the disposal of equipment.

(e) Budget Practices

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. Annually, the Board adopts a budget as prescribed by Louisiana Revised Statute 39:1331-1342. The budget for the fiscal year ended June 30, 2009 was adopted January 31, 2008 and is prepared on the modified accrual basis of accounting. Although budget amounts lapse a year-end, the Board retains its unexpended net assets to fund expenditures of the succeeding year. There were no amendments made during the year.

(f) Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and certificate of deposits with a maturity of three months or less when purchased. Under State law, the Board may deposit funds in a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the Board may invest in certificates of deposit of State banks organized under Louisiana law and national banks having their principal offices in Louisiana.

(g) Capital Assets

Capital assets are recorded at cost, if purchased or constructed. Assets acquired through contributions are capitalized at their estimate fair value, if available, or at estimated fair value or cost to construct at the date of the contribution. Furniture and equipment includes all items valued over \$5,000. Assets are depreciated using the straight-line method over the useful lives of the assets.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(1) Summary of Significant Accounting Policies, Continued

(h) Compensated Absences

Employees earn and accumulate annual and sick leave at various rates depending on their year of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits. Compensated absences are computed in accordance with GASB Codification Section C60.105 and are recognized as an expense and liability in the financial statements when incurred.

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. Compensatory leave is computed in accordance with the GASB Codification Section C60.105 and is recognized as an expense and liability in the financial statements when incurred.

(i) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(2) Cash

At June 30, 2009, the Board has cash deposits (book balances) totaling \$67,911. Deposits in bank accounts are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances), must be secured by Federal deposit insurance or similar Federal security or the pledge of securities owned by the fiscal agents banks. The fair value of the pledged securities plus the Federal security must at all times equal the amount on deposit with the fiscal agents. At June 30, 2009, the Board has \$73,241 in deposits (collected bank balances) which was entirely insured or collateralized with securities held by the Board or its agent in the Board's name.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(3) Capital Assets

The following is a summary of changes in capital assets during the period from July 1, 2008 to June 30, 2009:

	<u>Balance July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
Equipment	\$ 18,874	-	(6,626)	12,248
Less Accumulated Depreciation	<u>(14,444)</u>	<u>-</u>	<u>3,621</u>	<u>(10,823)</u>
Capital Assets, Net	\$ <u>4,430</u>	<u>-</u>	<u>(3,005)</u>	<u>1,425</u>

Depreciation expense for the year ended June 30, 2009 was \$1,443.

(4) Retirement System

Substantially all of the employees of the Board are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time Board employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006 are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006, have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(4) Retirement System, Continued

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the Board is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate was 18.5%, 20.4%, and 19.1% of annual covered payroll in fiscal years ended June 30, 2009, 2008, and 2007, respectively. The Board's contributions to the System for the years ending June 30, 2009, 2008, and 2007 were \$9,913, \$11,777, and \$11,442, respectively, equal to the required contributions for each year.

(5) Post Retirement Health Care and Life Insurance Benefits

Plan Description. The Board's employees may participate in the Louisiana Board of Chiropractic Examiners' Other Post-employment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan (for FY 2009) that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The Office of Group Benefits administers the plan. LRS 42:801-883 provides the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits does not issue a publicly available financial report of the OPEB Plan; however, it is included in the Louisiana Comprehensive Annual Financial Report (CAFR).

Funding Policy. The contribution requirements of plan members and the Board are established and may be amended by LRS 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. The Office of Group Benefits offers three standard plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) plan and the Health Maintenance Organization (HMO) plan. Retired employees who have Medicare Part A and Part B coverage also have access to five OGB Medicare Advantage plans which includes three HMO plans and two private fee-for-service (PFFS) plans. Depending upon the plan selected, during fiscal year 2009, employee premiums for a single member receiving benefits range from \$34 to \$218 per month for retiree-only coverage with Medicare or from \$130 to \$176 per month for retiree-only coverage without Medicare. The fiscal year 2009 premiums for a retiree and spouse range from \$69 to \$437 per month for those with Medicare or from \$423 to \$512 per month for those without Medicare.

The plan is currently financed on a pay as you go basis, with the Board contributing anywhere from \$26 to \$246 per month for retiree-only coverage with Medicare or from \$838 to \$873 per month for retiree-only coverage without Medicare during fiscal year 2009. Also, the Board's contributions range from \$52 to \$442 per month for retiree and spouse with Medicare or \$1,288 to \$1,341 for retiree and spouse without Medicare.

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life and Employee Accidental Death and Dismemberment coverage, which is underwritten by The Prudential Insurance Company of America. The total premium is approximately \$1 per thousand dollars of coverage of which the employer pays one half of the premium. Maximum coverage is capped at \$50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with AD&D coverage ceasing at age 70 for retirees.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(5) Post Retirement Health Care and Life Insurance Benefits, Continued

Annual OPEB Cost. The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty year. A level percentage of payroll amortization method, open period, was used. The total ARC for the fiscal year beginning July 1, 2008 is \$23,600 as follows:

Normal Cost	\$ 9,100
30-year UAL amortization amount	13,592
Interest on the above	<u>908</u>
Annual required contribution (ARC)	\$ <u>23,600</u>

The following table shows the components of the Board's net OPEB obligation:

	<u>6/30/09</u>	<u>6/30/08</u>
Net OPEB obligation – beginning of year	\$ 24,400	-
Annual required contribution	23,600	24,400
Interest on Net OPEB Obligation	976	-
Adjustment to Annual Required Contribution	<u>(932)</u>	<u>-</u>
Annual OPEB cost (expense)	23,644	24,400
Contributions made (retiree cost)	<u>-</u>	<u>-</u>
Net OPEB obligation – end of year	\$ <u>48,044</u>	<u>24,400</u>

Utilizing the pay-as-you-go method, the Board contributed 0% of the annual post-employment benefits cost during 2009.

Funded Status and Funding Progress. As of June 30, 2009, the Board did not have an OPEB trust. A trust was established with an effective date of July 1, 2008, but was not funded at all, has no assets, and hence has a funded ratio of zero. Since the plan was not funded, the entire actuarial accrued liability of \$357,500 was unfunded.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented below as required supplementary information is intended to provide multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(5) Post Retirement Health Care and Life Insurance Benefits, Continued

**Required Supplementary Information
Schedule of Funding Progress**

Actuarial valuation date		<u>6/30/09</u>	<u>6/30/08</u>
Actuarial value of assets	a	-	-
Actuarial value of assets (AAL) – Entry Age	b	357,500	347,500
Unfunded AAL (UAAL)	b-a	357,500	347,500
Funded ratio	a/b	0%	0%
Covered payroll	c	62,500	27,016
UAAL as a percentage of covered payroll	b-a / c	572%	1,286%

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2008 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 9.0% and 10.1% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The Louisiana Board of Chiropractic Examiners' unfunded actuarial accrued liability is being amortized as a level percentage of payroll over an open amortization period of thirty years.

(6) Long-Term Liabilities

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2009:

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2009</u>	<u>Amounts Due Within One Year</u>
Compensated absences	18,048	5,668	(4,584)	19,132	-
OPEB payable	<u>24,400</u>	<u>23,644</u>	<u>-</u>	<u>48,044</u>	<u>-</u>
Total long-term liabilities	<u>\$ 42,448</u>	<u>29,312</u>	<u>(4,584)</u>	<u>67,176</u>	<u>-</u>

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Notes to Financial Statements

June 30, 2009

(7) Lease Commitments

The Board rents office space under an operating lease. Total rent expense amounted to \$27,735 for the year ended June 30, 2009. The following is a schedule of the future minimum lease payments required under this operating lease:

<u>Years Ending</u>	<u>Amount</u>
2010	\$ 28,380
2011	28,380
2012	28,380
2013	28,380
2014	<u>7,095</u>
	<u>\$ 120,615</u>

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Schedule of Commissioners' Per Diems

For the Year Ended June 30, 2009

(See Accountants' Review Report)

<u>Name</u>	<u>Amount</u>
Wayne Burch	\$ 150
Mike Cavanaugh	200
Kim Hardy	200
Wynn Harvey	150
Mark Kruse	150
Ned Martello	50
Joseph Stagni	50
R. Buckey Vanbreemen	150
Joe Zeagler	<u>50</u>
Total	<u><u>1,150</u></u>

LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2009

C O N T E N T S

AFFIDAVIT

Statements

MD&A

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STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2009

Louisiana Board of Chiropractic Examiners
8621 Summa Avenue
Baton Rouge, Louisiana 70809

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

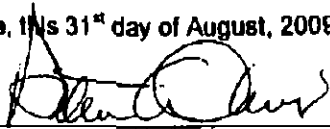
Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1800 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Patricia Oliver, Executive Director of the Louisiana Board of Chiropractic Examiners who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Louisiana Board of Chiropractic Examiners at June 30, 2009 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 31st day of August, 2009.



Signature of Agency Official



NOTARY PUBLIC

Prepared by: Robert J. Furman, CPA

Title: Partner, Griffin & Company, LLC

Telephone No.: 985-727-9924

Date: August 31, 2009

Email Address: rfurman@griffinandco.com

CINDY L DELATTE
NOTARY PUBLIC #53065
STATE OF LOUISIANA
EAST BATON ROUGE PARISH
COMMISSION FOR LIFE

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009**

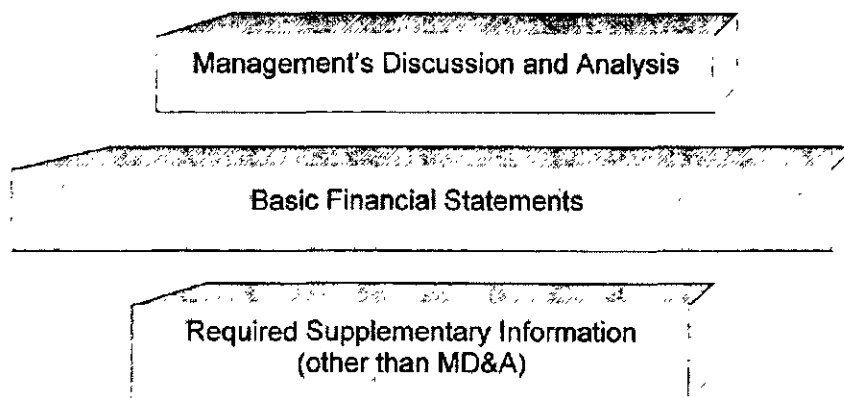
Management's Discussion and Analysis of the Louisiana Board of Chiropractic Examiners' financial performance presents a narrative overview and analysis of the Louisiana Board of Chiropractic Examiners' financial activities for the year ended June 30, 2009. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the Louisiana Board of Chiropractic Examiners' financial statements.

FINANCIAL HIGHLIGHTS

- The Louisiana Board of Chiropractic Examiners' assets exceeded its liabilities at the close of fiscal year 2009 by \$177,588. This represents an increase to net assets of \$1,236 or 0.7% compared to the prior fiscal year.
- The Louisiana Board of Chiropractic Examiners' revenues went from \$245,759 to \$225,139 for a decrease of \$20,620 or 8.4%. Net results from activities decreased from income of \$20,545 to a loss of (\$3,563) for a decrease of (\$24,108) or (117%). The primarily due to a decrease in complaint hearing sessions.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the Louisiana Board of Chiropractic Examiners as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009**

of whether the financial position of the Louisiana Board of Chiropractic Examiners is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how the Louisiana Board of Chiropractic Examiners' assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the Louisiana Board of Chiropractic Examiners' cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of June 30, 2009
(in thousands)

	Total	
	2009	2008
Current and other assets	\$ 250	\$ 222
Capital assets	1	4
Total assets	251	226
Other liabilities	6	7
Long-term liabilities	67	43
Total liabilities	73	50
Net assets:		
Invested in capital assets, net of debt	1	4
Restricted	-	-
Unrestricted	176	172
Total net assets	\$ 177	\$ 176

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent. The Louisiana Board of Chiropractic Examiners did not have any restricted net assets at June 30, 2009 and 2008.

Net assets of the Louisiana Board of Chiropractic Examiners increased by \$1,236 or 0.7%, from June 30, 2008 to June 30, 2009.

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009**

**Statement of Revenues, Expenses, and Changes in Fund Net Assets
For the Years Ended June 30, 2009 and 2008
(in thousands)**

	Total	
	2009	2008
Operating revenues	\$ 219	\$ 239
Operating expenses	222	225
Operating income(loss)	(3)	14
Non-operating revenues	6	7
Non-operating expenses	(2)	-
Income(loss) before transfers	1	21
Transfers in	-	-
Transfers out	-	-
Net increase(decrease) in net assets	\$ 1	\$ 21

The Louisiana Board of Chiropractic Examiners' total revenues decreased by \$20,620 or 8.4%. The total cost of all programs and services decreased by \$1,311 or 0.6%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year ended June 30, 2009, the Louisiana Board of Chiropractic Examiners had \$1,425 invested in furniture and office equipment (see accompanying Table). This amount represents a net decrease (including additions and deductions) of \$3,005, or 67.8%, over last year. The primary reason for the reduction was the disposal of a copier.

**Capital Assets at Year-End
(Net of Depreciation, in thousands)**

	2009	2008
Land	\$ -	\$ -
Buildings and improvements	-	-
Equipment	1	7
Infrastructure	-	-
Totals \$	1	7

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2009**

Debt

The Louisiana Board of Chiropractic Examiners has obligations for compensated absences payable of \$19,132. The obligations increased from \$18,048 for an increase of \$1,084 or 6.0%

The Louisiana Board of Chiropractic Examiners has obligations for other post employment retirement benefits of \$48,044. The obligations increased from \$24,400 for a increase of \$23,644 or 96.9%

There was no new debt issued during the year.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were \$20,620 under budget and expenditures were \$1,311 less than budget. The shortfall in revenues primarily was due to a decrease in complaint hearing sessions.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- Revenues from license renewals remaining consistent.
- Continued efforts on maintaining and controlling operating costs.

The management of the Louisiana Board of Chiropractic Examiners does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS' MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Louisiana Board of Chiropractic Examiners' finances and to show the Louisiana Board of Chiropractic Examiners' accountability for the money it receives. If you have questions about this report or need additional financial information, contact Patricia Oliver, Executive Director at 225-765-2322.

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
BALANCE SHEET
AS OF JUNE, 2009**

Statement A

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 67,911
Investments	177,266
Receivables (net of allowance for doubtful accounts)(Note U)	
Due from other funds (Note Y)	
Due from federal government	
Notes receivable	
Other current assets	4,483
Total current assets	249,660

NONCURRENT ASSETS:

Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Investments	
Notes receivable	
Capital assets (net of depreciation)(Note D)	
Land	
Buildings and improvements	
Machinery and equipment	1,425
Infrastructure	
Construction-in-progress	
Other noncurrent assets	
Total noncurrent assets	1,425
Total assets	\$ 251,085

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$ 6,351
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Other current liabilities	
Total current liabilities	6,351

NONCURRENT LIABILITIES: (Note K)

Contracts payable	
Compensated absences payable	19,132
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Bonds payable	
OPEB payable	48,044
Other long-term liabilities	
Total noncurrent liabilities	67,176
Total liabilities	73,527

NET ASSETS

Invested in capital assets, net of related debt	1,425
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	176,133
Total net assets	177,558
Total liabilities and net assets	\$ 251,085

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009

Statement B

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	_____
Other	218,778
Total operating revenues	218,778
OPERATING EXPENSES	
Cost of sales and services	220,898
Administrative	_____
Depreciation	1,443
Amortization	_____
Total operating expenses	222,341
Operating income(loss)	(3,563)
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____
Intergovernmental revenues(expenses)	_____
Taxes	_____
Use of money and property	6,361
Gain on disposal of fixed assets	_____
Loss on disposal of fixed assets	(1,562)
Federal grants	_____
Interest expense	_____
Other revenue	_____
Other expense	_____
Total non-operating revenues(expenses)	4,799
Income(loss) before contributions, extraordinary items, & transfers	1,236
Capital contributions	_____
Extraordinary item - Loss on impairment of capital assets	_____
Transfers in	_____
Transfers out	_____
Change in net assets	1,236
Total net assets – beginning	176,322
Total net assets – ending	\$ 177,558

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Statement C

	Program Revenues				Net (Expense)
	Expenses	Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Assets
Entity	\$ 222,341	\$ 218,778	\$ -	\$ -	\$ (3,563)
General revenues:					
Taxes					
State appropriations					
Interest					6,361
Miscellaneous					
Loss on sale of equipment					(1,562)
Miscellaneous					
Extraordinary item - Loss on impairment of capital assets					
Transfers					
Total general revenues, special items, and transfers					4,799
Change in net assets					1,236
Net assets - beginning as restated					176,322
Net assets - ending					\$ 177,558

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009**

Statement D

Cash flows from operating activities		
Cash received from customers	\$ 218,778	
Cash payments to suppliers for goods and services	(75,465)	
Cash payments to employees for services	(121,573)	
Payments in lieu of taxes		
Internal activity-payments to other funds		
Cash received from donors		
Other operating revenues(expenses)		
Net cash provided(used) by operating activities		21,740
Cash flows from non-capital financing activities		
Cash received from state revenue sharing		
Cash received from taxpayers		
Cash received from royalties and use of land		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Other		
Net cash provided(used) by non-capital financing		-
Cash flows from capital and related financing activities		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets		
Proceeds from sale of capital assets		
Capital contributions		
Other		
Net cash provided(used) by capital and related financing activities		-
Cash flows from investing activities		
Purchases of investment securities	(177,266)	
Proceeds from sale of investment securities	106,909	
Interest and dividends earned on investment securities	5,310	
Net cash provided(used) by investing activities		(65,047)
Net increase(decrease) in cash and cash equivalents		(43,307)
Cash and cash equivalents at beginning of year		111,218
Cash and cash equivalents at end of year	\$	67,911

Statement D
(concluded)

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2009**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)	\$ (3,563)
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:	
Depreciation/amortization	1,443
Provision for uncollectible accounts	
Other	
Changes in assets and liabilities:	
(Increase)decrease in accounts receivable, net	
(Increase)decrease in due from other funds	
(Increase)decrease in prepayments	
(Increase)decrease in inventories	
(Increase)decrease in other assets	
Increase(decrease) in accounts payable and accruals	(868)
Increase(decrease) in compensated absences payable	1,084
Increase(decrease) in due to other funds	
Increase(decrease) in deferred revenues	
Increase(decrease) in OPEB payable	23,644
Increase(decrease) in other liabilities	
Net cash provided(used) by operating activities	\$ 21,740

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease(s)	\$
Contributions of fixed assets	
Purchases of equipment on account	
Asset trade-ins	
Other (specify)	
Total noncash investing, capital, and financing activities:	\$ -

The accompanying notes are an integral part of this statement.

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2009**

INTRODUCTION

The Louisiana Board of Chiropractic Examiners was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 36:259 within the Department of Health and Hospitals. The following is a brief description of the operations of the Louisiana Board of Chiropractic Examiners which includes the parish / parishes in which the Board is located.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Louisiana Board of Chiropractic Examiners present information only as to the transactions of the programs of the Board as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Louisiana Board of Chiropractic Examiners are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Louisiana Board of Chiropractic Examiners are annual lapsing appropriations..

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2009

APPROPRIATIONS

Original approved budget	\$	215,515
Amendments:		
Final approved budget	\$	215,515

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix C for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana Board of Chiropractic Examiners may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the District may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2009**

The deposits at June 30, 2009, consisted of the following:

	<u>Cash</u>	<u>Nonnegotiable Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books (Balance Sheet)	\$ 67,911	\$ 177,266	\$ -	\$ 245,177
Deposits in bank accounts per bank	\$ 73,241	\$ 177,266	\$ -	\$ 250,507
Bank balances of deposits exposed to custodial credit risk:				
a. Deposits not insured and uncollateralized	\$ -	\$ -	\$ -	\$ -
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$ -	\$ -	\$ -	\$ -
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency but not in the entity's name.	\$ -	\$ -	\$ -	\$ -

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items.

The following is a breakdown by banking institution, program, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Capital One	Checking	\$ 68,664
2. Whitney National Bank	Checking	4,577
3. DOW LA FCU	Certificates of Deposit	125,639
4. Business First	Certificates of Deposit	51,627
Total		\$ 250,507

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ -
Petty cash	\$ -

2. INVESTMENTS (NOT APPLICABLE)

The _____ (BTA) does/does not maintain investment accounts as authorized by _____ (Note legal provisions authorizing investments by (BTA)).

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent, but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the following table, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2009

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

<u>Type of Investment</u>	<u>Investments Exposed to Custodial Credit Risk</u>		<u>All Investments Regardless of Custodial Credit Risk Exposure</u>	
	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount Per Balance Sheet</u>	<u>Fair Value</u>
Negotiable CDs	\$ _____	\$ _____	\$ _____	\$ _____
Repurchase agreements	_____	_____	_____	_____
U.S. Government Obligations **	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Mortgages (including CMOs & MBSs)	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Mutual funds	_____	_____	_____	_____
Real estate	_____	_____	_____	_____
External Investment Pool (LAMP) ***	_____	_____	_____	_____
External Investment Pool (Other)	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ _____ - \$ _____

* Unregistered - not registered in the name of the government or entity

** These obligations generally are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendix C for the definition of U.S. Government Obligations)

*** LAMP investments should not be included in deposits AND should be identified separately in this table to ensure LAMP investments are not double-counted on the State level

3. DERIVATIVES (NOT APPLICABLE)

The institution does/does not invest in derivatives as part of its investment policy. Accordingly, the exposure to risk from these investments is as follows:

credit risk _____
market risk _____
legal risk _____

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2009

Technical Bulletin 2003-1 requires certain note disclosures for derivatives that are not reported at fair value on the Balance Sheet. See Appendix C for more details and disclose any of these required note disclosures below, if applicable.

4. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES (NOT APPLICABLE)

A Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end, including the rating agency used (Moody's, S&P, etc.). All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

<u>Rating Agency</u>	<u>Rating</u>	<u>Fair Value</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
	Total	\$ _____ -

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note – This is the prescribed method, segmented time distribution, for the CAFR. Also, total debt investments reported in this table should equal total debt investments reported in Section A – Credit Risk of Debt Investments.)

Type of Debt Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Government obligations	\$	\$	\$	\$	\$
U.S. Agency obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds (describe)					
Mutual bond funds					
Other					
Total debt investments	\$ -	\$ -	\$ -	\$ -	\$ -

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2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See Appendix C for examples of debt investments that are highly sensitive to changes in interest rates.

<u>Debt Investment</u>	<u>Fair Value</u>	<u>Terms</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools).

<u>Issuer</u>	<u>Amount</u>	<u>% of Total Investments</u>
_____	\$ _____	_____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies); list by currency denomination and investment type, if applicable.

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
_____	\$ _____	\$ _____
_____	_____	_____
_____	_____	_____
Total	\$ _____ -	\$ _____ -

5. POLICIES

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

The Louisiana Board of Chiropractic Examiners deposits funds within institutions covered by FDIC and typically does not allow the balance maintained to exceed the insured amount of \$250,000 per institution.

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS (NOT APPLICABLE)

a. Investments in pools managed by other governments or mutual funds _____

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- b. Securities underlying reverse repurchase agreements _____
- c. Unrealized investment losses _____
- d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:
1. Carrying amount and market value at June 30 of securities to be resold _____
2. Description of the terms of the agreement _____
- e. Losses during the year due to default by counterparties to deposit or investment transactions _____
- f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

- g. Source of legal or contractual authorization for use of reverse repurchase agreements _____
- h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of Year-End

- i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest _____
- j. Commitments on _____ (fiscal close) to repurchase securities under yield maintenance agreements _____
- k. Market value on _____ (fiscal close) of the securities to be repurchased _____
- l. Description of the terms of the agreements to repurchase _____
- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____
- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures (GASB 31)

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____

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- p. Basis for determining which investments, if any, are reported at amortized cost _____
- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____
- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____
- s. Any involuntary participation in an external investment pool _____
- t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate _____
- u. Any income from investments associated with one fund that is assigned to another fund _____

Land and Other Real Estate Held as Investments by Endowments (GASB 52)

- v. _____ (agency/entity) owns land or other real estate held as investments by endowments. (yes/no) Land or real estate held as investments by endowments is reported at fair value in the entity's financial statements and any applicable fair value note disclosures are reported in the preceding fair value disclosure section.

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D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

	Year ended June 30, 2009						
	Prior Period Adjustments			Adjusted Balance 6/30/2008	Additions	Transfers*	Retirements
	Balance 6/30/2008	Adj. after submitted to OSRAP (+or-)	Restatements (+or-)				
Capital assets not being depreciated							
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-depreciable land improvements	-	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-
Total capital assets not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other capital assets							
Machinery and equipment	18,874	-	-	18,874	-	-	(6,626)
Less accumulated depreciation	(14,444)	-	-	(14,444)	(1,443)	-	5,064
Total Machinery and equipment	<u>4,430</u>	<u>-</u>	<u>-</u>	<u>4,430</u>	<u>(1,443)</u>	<u>-</u>	<u>(1,562)</u>
Buildings and improvements	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-
Total buildings and improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciable land improvements	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-
Total depreciable land improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Infrastructure	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-
Total infrastructure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other capital assets	<u>4,430</u>	<u>-</u>	<u>-</u>	<u>4,430</u>	<u>(1,443)</u>	<u>-</u>	<u>(1,562)</u>
Capital Asset Summary:							
Capital assets not being depreciated	-	-	-	-	-	-	-
Other capital assets, at cost	18,874	-	-	18,874	-	-	(6,626)
Total cost of capital assets	<u>18,874</u>	<u>-</u>	<u>-</u>	<u>18,874</u>	<u>-</u>	<u>-</u>	<u>(6,626)</u>
Less accumulated depreciation	(14,444)	-	-	(14,444)	(1,443)	-	5,064
Capital assets, net	<u>\$ 4,430</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,430</u>	<u>\$ (1,443)</u>	<u>\$ -</u>	<u>\$ (1,562)</u>

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

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E. INVENTORIES (NOT APPLICABLE)

The BTA's inventories are valued using _____ (method of valuation – FIFO, LIFO, weighted average, moving average, specific identification, etc). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS (NOT APPLICABLE)

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type of investments held.) State the purpose of the restrictions:
_____.

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana Board of Chiropractic Examiners has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay this amount when employees separate from service.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2009 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$9,361. The leave payable is recorded in the accompanying financial statements.

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H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://www.lasers.state.la.us/PDFs/Publications_and_Reports/Fiscal_Documents/Comprehensive_Financial_Reports/Comprehensive%20Financial%20Reports_08.pdf

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the District is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2009, decreased to 18.5% of annual covered payroll from the 20.4% and 19.1% required in fiscal years ended June 30, 2008 and 2007 respectively. The District's contributions to the System for the years ending June 30, 2009, 2008, and 2007, were \$9,913, \$11,777, and \$11,442, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (See footnote 5 in review report)

GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* addresses accounting and financial reporting for OPEB trust and agency funds of the employer. **GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*** establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers. See the GASB Statement No. 45 note disclosures requirements in section 2 of this note.

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1. Calculation of Net OPEB Obligation

(Note: Complete the following table for only the net OPEB obligation (NOO) related to OPEB administered by the Office of Group Benefits)

Fiscal year ending	6/30/2009
1. ARC (broken down by agency on pages 29-33 of the actuarial valuation report)	23,600
2. *NOO, beginning of year (see <i>OPEB Liability Spreadsheet of FYE 6/30/08</i> on OSRAP's website)	24,400
3. Amortization factor	26.17
4. Interest on NOO (4% x 2.)	976
5. ARC adjustment (2./3.)	932
6. Annual OPEB expense (1. + 4. - 5.)	23,644
7. Contributions (payments to OGB for retiree's cost of group insurance 2009 premiums)	-
8. Adjustment to OGB billings for retirees' insurance 2009 premiums	-
9. **NOO, end of year (2. + 6. - 7 +or-8.)	48,044

* This must be obtained from the OSRAP website on the spreadsheet "OPEB Liability Spreadsheet for FYE June 30, 2008"

**This should be the same amount as that shown on the Balance Sheet for the year ended June 30, 2009 if your entity's only OPEB is administered by OGB.

For more information on calculating the annual OPEB expense and the net OPEB obligation, see page two of the OPEB actuarial valuation report on OSRAP's website www.doa.louisiana.gov/osrap/index.htm, select "AFR packets", then scroll down and select "GASB 45 OPEB Valuation Report as of July 1, 2008, to be used for fiscal year ending June 30, 2009". Also, see Appendix D in the back of this packet.

2. Note Disclosures

If your only OPEB provider is OGB, your entity will have no OPEB note disclosures for OSRAP other than the OPEB calculation above; however, GASB 45 note disclosures are required for separately issued GAAP financial statements.

J. LEASES

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year ended June 30, 2009 amounted to \$27,735. (Note: If lease payments extend past FY 2024, create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

Nature of lease	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015- 2019	FY 2020- 2024
Office Space	\$ 28,380	\$ 28,380	\$ 28,380	\$ 28,380	\$ 7,095	\$	\$
Equipment							
Land							
Other							
Total	\$ 28,380	\$ 28,380	\$ 28,380	\$ 28,380	\$ 7,095	\$ -	\$ -

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2. CAPITAL LEASES (NOT APPLICABLE)

Capital leases (are/are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/09. In Schedule B, report only those new leases entered into during fiscal year 2008-2009.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2029, create additional rows and report these future minimum lease payments in five year increments.)**

<u>Year ending June 30:</u>	<u>Total</u>
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

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SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2029, create additional rows and report these future minimum lease payments in five year increments.)**

<u>Year ending June 30:</u>	<u>Total</u>
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases financed through the LEAF program, together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend**

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past FY2029, create additional rows and report these future minimum lease payments in five year increments.)

Year ending June 30:	<u>Total</u>
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

3. LESSOR DIRECT FINANCING LEASES (NOT APPLICABLE)

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectability of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remanining principal to end of lease</u>
a. Office space	_____	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____	_____
c. Land	_____	_____	_____	_____
Less amounts representing executory costs		_____		
Minimum lease payment receivable		_____		
Less allowance for doubtful accounts		_____		
Net minimum lease payments receivable		_____		
Less estimated residual value of leased property		_____		
Less unearned income		_____		
Net investment in direct financing lease		\$ _____		

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2009 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

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The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2029, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year ending _____:	
2010	\$ _____
2011	_____
2012	_____
2013	_____
2014	_____
2015-2019	_____
2020-2024	_____
2025-2029	_____
Total	\$ _____

4. LESSOR – OPERATING LEASE (NOT APPLICABLE)

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectability and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____ 0
b. Equipment	_____	_____	_____ 0
c. Land	_____	_____	_____ 0
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2029, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year Ended June 30, _____	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2010	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -
2011					-
2012					-
2013					-
2014					-
2015-2019					-
2020-2024					-
2025-2029					-
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

Current year lease revenues received in fiscal year _____ totaled \$ _____. Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

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K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2009:
(Balances at June 30th should include current and non-current portion of long-term liabilities.)

	Year ended June 30, 2009			Balance June 30, 2009	Amounts due within one year
	Balance June 30, 2008	Additions	Reductions		
Notes and bonds payable:					
Notes payable	\$ --	\$ --	\$ --	\$ --	\$ --
Bonds payable	--	--	--	--	--
Total notes and bonds	--	--	--	--	--
Other liabilities:					
Contracts payable				--	--
Compensated absences payable	18,048	5,668	4,584	19,132	--
Capital lease obligations	--	--	--	--	--
Claims and litigation	--	--	--	--	--
OPEB payable	24,400	23,644	--	48,044	--
Other long-term liabilities	--	--	--	--	--
Total other liabilities	42,448	29,312	4,584	67,176	--
Total long-term liabilities	\$ 42,448	\$ 29,312	\$ 4,584	\$ 67,176	\$ --

(Send OSRAP a copy of the amortization schedule for any new debt issued.)

L. CONTINGENT LIABILITIES (NOT APPLICABLE)

GAAP requires that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. **Do not report impaired capital assets as defined by GASB 42 below, rather disclose GASB 42 Impaired capital assets in Note CC.** Losses or ending litigation that is probable should be reflected on the balance sheet.

The _____ (BTA) is a defendant in litigation seeking damages as follows: (Only list litigation not being handled by the Office of Risk Management or the Attorney General.)

Date of Action	Description of Litigation and Probable outcome (Probable, reasonably possible or remote)	Estimated Liability Amt for Claims & Litigation (Opinion of legal counsel)	Insurance Coverage
		\$	\$
Totals		\$ -	\$ -

***Note:** Liability for claims and judgments should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

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Those agencies collecting federal funds, which have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance on a separate line in the chart.

	Program	Date of Disallowance	Amount	*Probability of Payment	Estimated Liability Amount**
1			\$		\$
2					
3					
4					

* Reasonably possible, probable, or remote

** Indicate only if amount can be reasonably estimated by legal counsel

(Only answer the following questions for those claims and litigation not being handled by the Office of Risk Management.)

Indicate the way in which risks of loss are handled (circle one).

purchase of commercial insurance,

participation in a public entity risk pool (e.g., Office of Risk Management claims)

risk retention (e.g., Use of an internal service fund is considered risk retention because the entity as a whole has retained the risk of loss.)

Other (explain) _____

For entities participating in a risk pool (other than the Office of Risk Management), describe the nature of the participation, including the rights and the responsibilities of both the entity and the pool. _____

Describe any significant reductions in insurance coverage from coverage in the prior year by major categories of risk. Also, indicate whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years. _____

Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it cannot be estimated. _____

Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee. _____

M. RELATED PARTY TRANSACTIONS (NOT APPLICABLE)

FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from that result from related party transactions. List all related party transactions. _____

N. ACCOUNTING CHANGES (NOT APPLICABLE)

Accounting changes made during the year involved a change in accounting _____ (principle, estimate or entity). The effect of the change is being shown in _____.

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O. IN-KIND CONTRIBUTIONS (NOT APPLICABLE)

List all in-kind contributions that are not included in the accompanying financial statements.

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
	\$
Total	\$ -

P. DEFEASED ISSUES (NOT APPLICABLE)

In _____, 20____, the _____ (BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with *certain other funds and/or securities*, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$_____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$_____.

Q. REVENUES – PLEDGED OR SOLD (GASB 48) (NOT APPLICABLE)

1. PLEDGED REVENUES

Pledged revenues are specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit. **Pledged revenues are revenue bonds that the State Bond Commission or the Louisiana Public Facilities Authority has authorized in your agency's name or in your agency's behalf.** Pledged revenues must be disclosed for each period in which the secured debt remains outstanding. **You must prepare a separate Note Q for each secured debt issued.**

Provide the following information about the specific revenue pledged:

- Identify the specific pledged revenue:
 - Pledged revenue is _____
 - Debt secured by the pledged revenue (amount) _____
 - Approximate amount of pledge _____
 (equal to the remaining principal and interest requirements)
- Term of the commitment: _____
 [number of years (beginning and ending dates by month and year)
 that the revenue will not be available for other purposes]
- General purpose for the debt secured by the pledge: _____

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- d. Relationship of the pledged amount to the specific revenue: _____

 (the proportion of the specific revenue that has been pledged)
- e. Comparison of the pledged revenues (current year information):
- Principal requirements: _____
 - Interest requirements: _____
 - Pledged revenues recognized during the period _____
 (gross pledged revenue minus specified operating expenses)

NOTE: For any new Revenue Bonds, you must send a copy of the following pages:

- Cover page
- Introductory statement
- **Amortization schedule – terms and conditions**
- Plan of financing – sources and used of funds
- Security for the bond (pledged revenue information)

2. FUTURE REVENUES REPORTED AS A SALE

Future revenues reported as a sale are proceeds that an agency/entity received in exchange for the rights to future cash flows from specific future revenues and for which the agency/entity's continuing involvement with those revenues or receivables is effectively terminated. (see Appendix E)

Provide the following information in the year of the sale ONLY:

- a. Identify the specific revenue sold:
- the revenue sold is _____
 - the approximate amount _____
 - significant assumptions used in determining the approximate amount _____
- b. Period of the sale: _____
- c. Relationship of the sold amount to the total for that specific revenue: _____
- d. Comparison of the sale:
- proceeds of the sale _____
 - present value of the future revenues sold _____
 - significant assumptions in determining the present value _____

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) (NOT APPLICABLE)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2008-2009:

CFDA Number	Program Name	State Match Percentage	Total Amount of Grant
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total government-mandated nonexchange transactions (grants)			\$ _____ -

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S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS (NOT APPLICABLE)

At June 30, 20__, the _____ (BTA) was not in compliance with the provisions of _____ Bond Reserve Covenant that requires _____ The _____ (BTA) did _____ to correct this deficiency.

T. SHORT-TERM DEBT (NOT APPLICABLE)

The _____ (BTA) issues short-term notes for the following purpose(s) _____

Short-term debt activity for the year ended June 30, 20__, was as follows:

List the type of Short-term debt (e.g., tax anticipation notes)	Beginning Balance	Issued	Redeemed	Ending Balance
_____	\$ _____	\$ _____	\$ _____	\$ _____

The _____ (BTA) uses the following revolving line of credit for to finance _____ (list purpose for the S-T debt).

Short-term debt activity for the year ended June 30, 20__, was as follows:

	Beginning Balance	Draws	Redeemed	Ending Balance
Line of credit	\$ _____	\$ _____	\$ _____	\$ _____

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2009, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
_____	\$ _____	\$ _____	\$ _____	\$ 4,483	\$ 4,483
Gross receivables	\$ -	\$ -	\$ -	\$ 4,483	\$ 4,483
Less allowance for uncollectible accounts	-	-	-	-	-
Receivables, net	\$ -	\$ -	\$ -	\$ 4,483	\$ 4,483
Amounts not scheduled for collection during the subsequent year	\$ -	\$ -	\$ -	\$ -	\$ -

V. DISAGGREGATION OF PAYABLE BALANCES

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Notes to the Financial Statement
As of and for the year ended June 30, 2009

Payables at June 30, 2009, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	\$ 726	\$ 5,625	\$ -	\$ -	\$ 6,351
					-
Total payables	\$ 726	\$ 5,625	\$ -	\$ -	\$ 6,351

W. SUBSEQUENT EVENTS (NOT APPLICABLE)

Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.

X. SEGMENT INFORMATION (NOT APPLICABLE)

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by each segment:

Segment No. 1 _____

Segment No. 2 _____

A. Condensed balance sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTAs should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTAs should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

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Notes to the Financial Statement
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Condensed Balance sheet:

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____ -	_____ -
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____ -	_____ -
Beginning net assets	_____	_____
Ending net assets	_____ -	_____ -

C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

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Notes to the Financial Statement
As of and for the year ended June 30, 2009

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ -	_____ -

Y. DUE TO/DUE FROM AND TRANSFERS (NOT APPLICABLE)

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:
 (Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due from other funds		\$ _____

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total due to other funds		\$ _____

3. List by fund type **all transfers from other funds** for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers from other funds		\$ _____

4. List by fund type **all transfers to other funds** for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total transfers to other funds		\$ _____

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Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS (NOT APPLICABLE)

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS (NOT APPLICABLE)

The following adjustments were made to restate beginning net assets for June 30, 20__.

Ending net assets 6/30/08 as reported to OSRAP on PY AFR	*Adjustments to end net assets 6/30/08 (after AFR was submitted to OSRAP) + or (-)	Restatements (Adjustments to beg. Balance 7/1/08) + or (-)	Beg net assets @ 7/1/08 as restated
\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Each adjustment must be explained in detail on a separate sheet.

*Include all audit adjustments accepted by the agency or entity.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46) (NOT APPLICABLE)

Of the total net assets reported on Statement A at June 30, 20__, \$ _____ are restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation. Refer to Appendix F for more details on the determination of the amount to be reported as required by GASB Statement 46. List below the net assets restricted by enabling legislation, the purpose of the restriction, and the Louisiana Revised Statute (LRS) that authorized the revenue:

<u>Purpose of Restriction</u>	<u>LA Revised Statute Authorizing Revenue</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total	_____	\$ _____

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES (NOT APPLICABLE)

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets and for insurance recoveries. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. See Appendix G for more information on GASB 42 and the Impairment of Capital Assets.

The following capital assets became permanently impaired in FY 08-09: (Insurance recoveries related to impairment losses should be used to offset those impairment losses if received in the same year as the

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As of and for the year ended June 30, 2009

impairment. Include these insurance recoveries in the third column in the table below. Calculate the net impairment loss after insurance recoveries received in the current fiscal year in the fourth column. Include in the Financial Statement Classification column the account line in which the net impairment loss is reported in the financial statements. There are five indicators of impairment described in Appendix G, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

<u>Type of asset</u>	<u>Amount of Impairment Loss</u>	<u>Insurance Recovery in the same FY</u>	<u>Net Impairment Loss per Financial Stmt</u>	<u>Financial Statement Classification</u>	<u>Appendix G Indicator of Impairment</u>	<u>Reason for Impairment (e.g. hurricane, fire)</u>
Buildings	\$ _____	\$ _____	\$ _____	_____	_____	_____
Movable Property	_____	_____	_____	_____	_____	_____
Infrastructure	_____	_____	_____	_____	_____	_____

Insurance recoveries received in FY 08-09 related to impairment losses occurring in previous years, and insurance recoveries received in FY 08-09 other than those related to impairment of capital assets, should be reported as program revenues, nonoperating revenues, or extraordinary items, as appropriate. Indicate in the following table the amount and financial statement classification (account line in which the insurance recovery is reported in the financial statements) of insurance recoveries not included in the table above:

<u>Type of asset</u>	<u>Amount of Insurance Recovery</u>	<u>Financial Statement Classification</u>	<u>Reason for insurance recovery (e.g. fire)</u>
Buildings	\$ _____	_____	_____
Movable Property	_____	_____	_____
Infrastructure	_____	_____	_____

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year: (Include any permanently impaired capital assets listed above that are still idle at the end of the fiscal year, any temporarily impaired capital assets, and any assets impaired in prior years that are still idle at the end of the current fiscal year.)

<u>Type of asset</u>	<u>Carrying Value of Idle Impaired Assets</u>	<u>Reason for Impairment</u>
Buildings - permanently impaired	\$ _____	_____
Buildings - temporarily impaired	_____	_____
Movable Property - permanently impaired	_____	_____
Movable Property - temporarily impaired	_____	_____
Infrastructure - permanently impaired	_____	_____
Infrastructure - temporarily impaired	_____	_____

DD. EMPLOYEE TERMINATION BENEFITS (NOT APPLICABLE)

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2009**

initiated by employees. Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan.

Refer to GASB No. 47, Summary, Recognition Requirements – “Involuntary” termination is recognized when there is a plan of termination approved by the government. “For financial reporting purposes, a plan of involuntary termination is defined as a plan that (a) identifies, at a minimum, the number of employees to be terminated, the job classifications or functions that will be affected and their locations, and when the terminations are expected to occur and (b) establishes the terms of the termination benefits in sufficient detail to enable employees to determine the type and amount of benefits they will receive if they are involuntarily terminated.” This does not only include lay-off plans, but can include “an early-retirement incentive program that affects a significant portion of employees.”

Other termination benefits paid as part of a plan, as described above, may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Healthcare coverage when none would otherwise be provided (COBRA)
3. Compensated absences, including payments for leave balances
4. Payments due to early release from employment contracts

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits:

1. A description of the termination benefit arrangement(s)
2. Period the employer becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported)

The GASB 47 note disclosures listed below are provided as an example and should be modified as necessary.

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For 2008, the cost of providing those benefits for _____ (number of) voluntary terminations totaled \$_____. For 2008, the cost of providing those benefits for _____ (number of) involuntary terminations totaled \$_____.

[The termination benefits (voluntary and involuntary) paid in FY 2008 should also be included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets on the account line “Administrative” in the Operating Expense Section.]

The liability for the accrued voluntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) voluntary terminations. The liability for the accrued involuntary terminations benefits payable at June 30, _____ is \$_____. This liability consists of _____ (number of) involuntary terminations.

[The termination benefits (voluntary and involuntary) payable at fiscal year end should also be included on the Balance Sheet in the “compensated absences payable” account line.]

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
Notes to the Financial Statement
As of and for the year ended June 30, 2009**

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

EE. POLLUTION REMEDIATION OBLIGATIONS (BTA) (NOT APPLICABLE)

Pollution remediation costs (or revenue) should be reported in the statement of activities and statement of revenues, expenses, and changes in fund net assets, if appropriate, as a program or operating expense (or revenue), special item, or extraordinary item in accordance with the guidance in Statement 34.

Disclosures

For recognized pollution remediation liabilities and recoveries of pollution remediation outlays, governments should disclose the following:

- a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)
- b. The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes due to, for example, price increases or reductions, technology, or applicable laws or regulations
- c. Estimated recoveries reducing the liability.

For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, governments should disclose a general description of the nature of the pollution remediation activities.

SAMPLE disclosure: (This is a sample disclosure. Adapt as necessary to fit your specific agency.)

A preliminary site assessment has been done which revealed _____ (asbestos, polluted ground water, leaking underground fuel storage tanks, etc.) on _____ agency's/entity's property. A possible explanation for this is _____. Further investigation to determine the full nature and extent of this contamination and required remediation has lead to a potential liability of \$ _____. The _____ (agency) paid \$ _____ in remediation costs for fiscal year 2009 and is reporting a balance of \$ _____ for the liability. At this time the complete cost for remediation is unable to be estimated as a result of future remediation contracts, inflation, and the amount of time involved. As these costs become estimable and costs incurred, the liability will be adjusted.

**STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2008
(Fiscal close)**

Name		Amount
Wayne Burch	\$	150
Mike Cavanaugh		200
Kim Hardy		200
Wynn Harvey		150
Mark Kruse		150
Ned Martello		50
Joseph Stagni		50
R. Bucky Vanbreemen		150
Joe Zeagler		50
Total	\$	1,150

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

SCHEDULE 1

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2009</u>	<u>2008</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ <u>225,139</u>	\$ <u>245,759</u>	\$ <u>(20,620)</u>	<u>(8.4%)</u>
Expenses	<u>223,903</u>	<u>225,214</u>	<u>(1,311)</u>	<u>(0.6%)</u>
2) Capital assets	<u>1,425</u>	<u>4,430</u>	<u>(3,005)</u>	<u>(67.8%)</u>
Long-term debt	<u>67,176</u>	<u>42,448</u>	<u>24,728</u>	<u>58.3%</u>
Net Assets	<u>177,558</u>	<u>176,322</u>	<u>1,236</u>	<u>0.7%</u>

Explanation for change: _____

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Schedule of Findings and Management Corrective Action Plan

June 30, 2009

Finding 2009-1:

Criteria:

Management is responsible for developing internal controls related to the preparation of financial statements as well as preparing financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition & Cause:

As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the Board's annual financial statements. This condition is intentional by management based upon the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls. Recently issued Statement on Auditing Standards (SAS) 112 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are adequately mitigated with nonaudit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation:

As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 112's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under SAS 112. In this case we do not believe that curing the significant deficiency described above would be cost effective or practical and accordingly do not believe any corrective action is necessary.

Management Corrective Action Plan:

In response to the finding, management feels that it is a prudent use of funds to engage the auditor to prepare the Board's annual financial reports. We therefore agree with the auditors' recommendation that no correction action is necessary.

**LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA**

Status of Prior Audit Findings

June 30, 2009

There were no prior audit findings for the Louisiana Board of Chiropractic Examiners.

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

**Board of Directors
Louisiana State Board of Chiropractic Examiners
State of Louisiana
Baton Rouge, Louisiana**

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Louisiana Board of Chiropractic Examiners (the "Board") and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Board's compliance with certain laws and regulations for the twelve months ending June 30, 2009, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

The Board did not have any expenditures for materials & supplies or public works that fell under the provisions of the public bid law.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each Board Member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all Board Members and employees, as well as their immediate families.

Management provided us with the required list.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in procedure 3 appeared on the listing provided by management in procedure 2.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments, if applicable.

A copy of the legally adopted budget was obtained from the Board.

6. Trace the budget adoption and amendments to the minute book.

The budget adoption was traced to the minute book. There were no amendments to the budget.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more if actual expenditures exceeded budgeted amounts by 5% or more.

Actual revenues did not fail to meet budgeted revenues by 5% or more. Actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

(a) Trace payments to supporting documentation as to proper amount and payee;

All payments were traced to supporting documentation without exception.

(b) Determine if payments were properly coded to the correct fund and general ledger amount;

All payments were properly coded to the correct fund and general ledger account without exception.

(c) Determine whether payments received approval from proper authorities.

All payments received approval from proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Based on information obtained from management, all agendas for meetings recorded in the minute book were posted as required.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

Bank deposits for the period under examination were reviewed noting no deposits that appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

Payroll records and minutes for the period were reviewed noting no payments to employees that may constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures other matters might have come to our attention that would have been reported to you

This report is intended solely for use of management of the Louisiana Board of Chiropractic Examiners, State of Louisiana and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Griffin & Company, LLC

August 31, 2009

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)
August 31, 2009

Griffin & Company, LLC
1433 West Causeway Approach
Mandeville, LA 70471

In connection with your review of our financial statements as of June 30, 2009 and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of August 31, 2009.

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.00-1410.63

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:135, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Michael R. Gandy, Jr.
President

Date: 8-31-09

Vice-President

Date: 8-31-09

Secretary / Treasurer

Date: 8-31-09

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:17

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 30 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 9 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 33:1410.65-1410.67

Yes ☒ No ☐


Advances and Disburse

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:128, and AG opinion 79-729

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contributions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may result subsequent to the issuance of your report.

President

Vice President

Date 8-31-09

Date 8-31-09

Secretary - Treasurer

Date 8-31-09

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 12:1 through 12:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

President

Date: 8-31-09

Vice-President

Date: 8-31-09



Secretary / Treasurer

Date: 8-31-09